

Alvarez, Colanthia

From: Tom Gressette <Gressette@WGFLAW.com>
Sent: Thursday, August 6, 2020 8:54 AM
To: Alvarez, Colanthia; John Guastella; Trenholm Walker
Subject: [External] RE: DN2014-346-WS Revised Notice of Filing and Transmittal Letter

Good morning, Ms. Alvarez.

DIUC would like to propose some language to be added to the Notice. Our version of the Notice is Word does not allow me to add those changes for you to see. I could provide them as separate document, or add them to a Word version of the Notice you might have that is "editable". Of course, I will do whatever is easiest for you. Thank you.

Tom



TOM GRESSETTE
 843.727.2249 direct
 Gressette@WGFLAW.com

PO Box 22167, Charleston, SC 29413
 66 Hasell Street, Charleston, SC 29401

The information contained in this message, including attachments, is confidential and may contain information protected by the attorney-client privilege or work product doctrine. If you are not the addressee, any disclosure, copying, distribution, or use of the contents of this message are prohibited. If you have received this communication in error, please destroy it and notify me immediately by calling 843-727-2200.

From: Alvarez, Colanthia <Colanthia.Alvarez@psc.sc.gov>
Sent: Monday, August 3, 2020 8:49 AM
To: John Guastella <jfg@guastella.com>; Tom Gressette <Gressette@WGFLAW.com>; Trenholm Walker <Walker@WGFLAW.com>; Bateman, Andrew <abateman@ors.sc.gov>; Nelson, Jeff <jnelson@ors.sc.gov>; John Beach <john.beach@arlaw.com>; lyndey.zwing@arlaw.com; John J. Pringle, Jr. <jack.pringle@arlaw.com>; John Bowen <jbowen@burr.com>; Peg Fox <pfox@burr.com>; Grube-Lybarker, Carri <clybarker@scconsumer.gov>
Subject: DN2014-346-WS Revised Notice of Filing and Transmittal Letter

Colanthia B. Alvarez
Clerk's Office

PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

CLERK'S OFFICE

REVISED NOTICE OF FILING

DOCKET NO. 2014-346-WS

Application of Daufuskie Island Utility Company, Incorporated for Approval of an Increase for Water and Sewer Rates, Terms and Conditions

PLEASE NOTE THAT THIS NOTICE OF FILING PERTAINS TO THIS CASE THAT WAS PREVIOUSLY APPEALED TO THE SUPREME COURT OF SOUTH CAROLINA AND IS PRESENTLY BEFORE THE PUBLIC SERVICE COMMISSION ON REMAND FROM THE SUPREME COURT OF SOUTH CAROLINA.

The Supreme Court of South Carolina in its Opinion No. 27905 filed on July 24, 2019, reversed and remanded the above-referenced rate case to the Public Service Commission of South Carolina. Please see *Daufuskie Island Utility Co., Inc. v. South Carolina Office of Regulatory Staff*, 427 S.C. 458, 832 S.E.2d 572 (2019). In its Opinion No. 27905, the Supreme Court of South Carolina stated, in part,

“DIUC’s rate application will now go before the Commission for a third hearing. In our initial reversal and remand, we explained certain points of law applicable to the merits of DIUC’s claims. *Daufuskie Island Util. Co.*, 420 S.C. at 316-20, 803 S.E.2d at 286-88. In this reversal and remand, we do not address the merits at all. In reversing the Commission twice, we do not intend to make any suggestions of our views of the merits. Rather, we simply require the Commission and ORS evaluate the evidence and carry out their important responsibilities consistently, within the “objective and measurable framework” the law provides. *Utils. Servs.*, 392 S.C. at 113, 708 S.E.2d at 765.”

On July 22, 2020, the Public Service Commission of South Carolina (the Commission) issued Order No. 2020-497 with the following Motion:

“The Office of Regulatory Staff states that Daufuskie Island Utility Company, Incorporated should afford its customers additional notice with regard to the proposed rates in the present case, which ORS asserts exceeds the rates included in the Company’s Application and previously noticed to the utility’s customers. ORS notes that both Commission statutes and due process require the additional notice. ORS states that the Company’s customers have not received notice of the presently proposed rates and are therefore at a significant disadvantage without the notice. The Company denies the need for such a notice under the circumstances of the case. S.C. Code Annotated Section 58-5-240 (B) states that notice to the public may be ordered “such as the Commission may prescribe.”

Grant the ORS request and order the Company to give notice to its customers of the proposed rates in the present case. The Commission Clerk’s Office shall issue a Notice letter to the Company requiring such notice.”

RESIDENTIAL RATES

<u>WATER</u>		<u>Pre-Appeal Company Proposed Rates</u>	<u>Post-Appeal Company Proposed Rates</u>
Tapping Fees & ¾" Meter Box		\$500.00	
Base Quarterly Charge		\$149.30	\$155.88
Consumption Charge (per 1,000 gallons)	0 to 22,500 Gallons per Quarter	\$4.41	\$4.47
	Over 22,500 Gallons	\$4.41	\$4.47

<u>SEWER</u>			
Tapping Fees & Service Lateral		\$500.00	
Base Quarterly Charge		\$218.18	\$226.37
Volumetric Charge (per 1,000 gallons)	0 to 22,500 Gallons per Quarter	\$2.38	\$2.41
	Over 22,500 Gallons	\$2.38	\$2.41
<u>IRRIGATION</u>			
Tapping Fees & ¾" Meter Box		\$500.00	
Consumption Charge (per 1,000 gallons)	0 to 18,000 Gallons per Quarter	\$4.85	\$4.91
	18,001 to 60,000 Gallons	\$5.73	\$5.80
	Over 60,000 Gallons	\$6.61	\$6.69

COMMERCIAL RATES

<u>WATER</u>		<u>Pre-Appeal Company Proposed Rates</u>	<u>Post-Appeal Company Proposed Rates</u>
Tapping Fees per Hotel or Inn Room		\$250.00	
Tapping Fees up to 1-1/2" Meter		\$500.00	
Tapping Fees 2" or 3" Meter		\$1,500.00	
Tapping Fees for 6" Meter		\$3,500.00	
*Larger Meters on a case by case basis			
Base Quarterly Charge		\$209.01	\$218.23
Consumption Charge (Per 1,000 Gallons)	0 to 22,500 Gallons per Quarter	\$4.41	\$4.47
	Over 22,500 Gallons	\$4.41	\$4.47
<u>SEWER</u>			
Tapping Fees per Hotel or Inn Room		\$250.00	
Tapping Fees 4"-8" Sewer Pipe		\$500.00	
Base Quarterly Charge		\$305.45	\$316.91
Volumetric Charge (per 1,000 Gallons)	0 to 22,500 Gallons per Quarter	\$2.38	\$2.41
	Over 22,500 Gallons	\$2.38	\$2.41
<u>IRRIGATION</u>			
Tapping Fees & ¾" Meter Box		\$500.00	
Consumption Charge (Per 1,000 Gallons)	0 to 18,000 Gallons per Quarter	\$4.85	\$4.91
	18,001 to 60,000 Gallons	\$5.73	\$5.80
	Over 60,000 Gallons	\$6.61	\$6.69

	AVAILABILITY RATES/CHARGES (QUARTERLY)		
WATER	Base Quarterly Charge	\$107.49	\$112.23
SEWER	Base Quarterly Charge	\$140.73	\$146.01

The above rates reflect comparisons of the proposed rates filed with the Company's original application in June of 2015, designed to produce \$2,268,722 of total annual revenues, and the rates contained in an exhibit of the testimony of a company witness filed with the Commission on June 16, 2020, in a limited hearing proceeding following the court's reversal and remand of the commission's last decision. The testimony and exhibits of the company's witness were provided to all parties in this case, including the Haig Point Club and Community Association, Inc., Melrose Property Owner's Association, Inc. and Bloody Point Property Owner's Association (collectively the "POAs"), that are intervenors in this case. The reason for the minor revision to the originally filed rates is the use of revised billing units proposed by the ORS and accepted by the Company to reach the same \$2,267,722 of revenues.

A copy of the Company's application can be found on the Commission's website at www.psc.sc.gov under Docket No. 2014-346-WS. Additionally, a copy of the application is available from the office of Thomas P. Gressette, Jr. Esquire and G. Trenholm Walker, Esquire, Walker Gressette Freeman & Linton, LLC, Post Office Box 22167, Charleston, South Carolina 29413.

Any person who wishes to participate in this matter as a party of record, separate from the existing intervenor status of the POAs which are already parties to the case, should file a Petition to Intervene in accordance with the Commission's Rules of Practice and Procedure on or before **August 31, 2020**, by filing the Petition to Intervene with the Commission, by providing a copy to the Office of Regulatory Staff and by providing a copy to all parties of record. For the receipt of future Commission correspondence, please include an email address in the Petition to Intervene. ***Please refer to Docket No. 2014-346-WS and mail a copy to all other parties in this docket.*** Any person who seeks to intervene and who wishes to testify and present evidence at the hearing, if scheduled, should notify, in writing, the Commission; the Office of Regulatory Staff at 1401 Main Street, Suite 900, Columbia, South Carolina 29201; and the company at the above address, on or before **August 31, 2020**. ***Please refer to Docket No. 2014-346-WS.***

A public hearing, if scheduled, will be held in Columbia, South Carolina in the offices of the Commission located at 101 Executive Center Drive, Suite 100, Columbia, South Carolina 29210, for the purpose of receiving testimony and other evidence from all interested parties regarding this Application. The time and date of this hearing will be furnished to all interested parties at a later date.

For the most recent information regarding this docket, including changes in scheduled dates included in this Notice, please refer to www.psc.sc.gov and ***Docket No. 2014-346-WS.***

Persons seeking information about the Commission's procedures should contact the Commission at (803) 896-5100 or visit its website at www.psc.sc.gov.

8/6/20 DIUC PROPOSED CHANGES HIGHLIGHTED IN GREY.

Alvarez, Colanthia

From: Tom Gressette <Gressette@WGFLAW.com>
Sent: Thursday, August 6, 2020 11:07 AM
To: Alvarez, Colanthia; John Guastella; Trenholm Walker
Cc: Boyd, Jocelyn
Subject: UPDATED RE: [External] RE: DN2014-346-WS Revised Notice of Filing and Transmittal Letter
Attachments: 2014-346-WS RNOF on Customer Letter (DIUC Second Revisions, 8-6-20).docx
Importance: High

UPDATED

Ms. Boyd,

The client also requested the additional columns shown in the attached document named 2014-346-WS RNOF on Customer Letter (DIUC Second Revisions, 8-6-20). The two columns, the inserted paragraph (moved to page 1), and the additional phrase (all the changes) should be shown in grey.

Thank you for your assistance.

TOM GRESSETTE

Direct: 843.727.2249

Mail: PO Box 22167, Charleston, SC 29413

Email: Gressette@WGFLAW.com

From: Tom Gressette
Sent: Thursday, August 6, 2020 10:50 AM
To: Alvarez, Colanthia <Colanthia.Alvarez@psc.sc.gov>; John Guastella <jfg@guastella.com>; Trenholm Walker <Walker@WGFLAW.com>
Cc: Boyd, Jocelyn <Jocelyn.Boyd@psc.sc.gov>
Subject: RE: [External] RE: DN2014-346-WS Revised Notice of Filing and Transmittal Letter

Good Afternoon, Ms. Boyd.

I was able to incorporate DIUC's requested changes to the Revised Notice. There is an added paragraph and an added phrase, both appearing on page 3 and highlighted in grey. The letter (attached) does not contain any proposed changes.

Please let me know if you require anything further, or if we may proceed with these changes.

My best,

Tom

From: Alvarez, Colanthia <Colanthia.Alvarez@psc.sc.gov>
Sent: Thursday, August 6, 2020 10:33 AM
To: Tom Gressette <Gressette@WGFLAW.com>; John Guastella <jfg@guastella.com>; Trenholm Walker <Walker@WGFLAW.com>

Cc: Boyd, Jocelyn <Jocelyn.Boyd@psc.sc.gov>

Subject: RE: [External] RE: DN2014-346-WS Revised Notice of Filing and Transmittal Letter

Please forward these changes to Ms. Boyd. Thank you

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Grant the ORS request and order the Company to give notice to its customers of the proposed rates in the present case. The Commission Clerk’s Office shall issue a Notice letter to the Company requiring such notice.”

The rates below include a comparison of the proposed rates filed with the Company’s original application in June of 2015, designed to produce \$2,268,722 of total annual revenues, and the rates contained in an exhibit of the testimony of a company witness filed with the Commission on June 16, 2020, in a limited hearing proceeding following the court’s reversal and remand of the commission’s last decision. The testimony and exhibits of the company’s witness were provided to all parties in this case, including the Haig Point Club and Community Association, Inc., Melrose Property Owner’s Association, Inc. and Bloody Point Property Owner’s Association (collectively the “POAs”), that are intervenors in this case. The reason for the minor revision to the originally filed rates is the use of revised billing units proposed by the ORS and accepted by the Company to reach the same \$2,267,722 of revenues.

RESIDENTIAL RATES

<u>WATER</u>		<u>Company's Original Proposed Rates</u>	<u>Rates Proposed in Company Witness Testimony</u>	<u>Revision</u>	
				<u>Amount</u>	<u>%</u>
Tapping Fees & ¾" Meter Box		\$500.00	\$500.00	\$0.00	-
Base Quarterly Charge		\$149.30	\$155.88	\$6.58	4.407
Consumption Charge (per 1,000 Gallons)	0 to 22,500 Gallons per Quarter	\$4.41	\$4.47	\$0.06	1.361
	Over 22, 500 Gallons	\$4.41	\$4.47	\$0.06	1.361
<u>SEWER</u>		-	-	-	-
Tapping Fees & Service Lateral		\$500.00	\$500.00	\$0.00	-
Base Quarterly Charge		\$218.18	\$226.37	\$8.19	3.754
Volumetric Charge (per 1,000 Gallons)	0 to 22,500 Gallons per Quarter	\$2.38	\$2.41	\$0.03	1.261
	Over 22,500 Gallons	\$2.38	\$2.41	\$0.03	1.261
<u>IRRIGATION</u>		-	-	-	-
Tapping Fees & ¾" Meter Box		\$500.00	\$500.00	\$0.00	-
Consumption Charge (per 1,000 Gallons)	0 to 18,000 Gallons per Quarter	\$4.85	\$4.91	\$0.06	1.237
	18,001 to 60,000 Gallons	\$5.73	\$5.80	\$0.07	1.222
	Over 60,000 Gallons	\$6.61	\$6.69	\$0.08	1.210

COMMERCIAL RATES

<u>WATER</u>		<u>Company's Original Proposed Rates</u>	<u>Rates Proposed in Company Witness Testimony</u>	<u>Revision</u>	
				<u>Amount</u>	<u>%</u>
Tapping Fees per Hotel or Inn Room		\$250.00	\$250.00	\$0.00	-
Tapping Fees up to 1-1/2" Meter		\$500.00	\$500.00	\$0.00	-
Tapping Fees 2" or 3" Meter		\$1,500.00	\$1,500.00	\$0.00	-
Tapping Fees for 6" Meter		\$3,500.00	\$3,500.00	\$0.00	-

Note: Larger Meters on a Case by Case Basis					
Base Quarterly Charge		\$209.01	\$218.23	\$9.22	
Consumption Charge (per 1,000 Gallons)	0 to 22,500 Gallons per Quarter	\$4.41	\$4.47	\$0.06	1.361
	Over 22,500 Gallons	\$4.41	\$4.47	\$0.06	1.361
<u>SEWER</u>		-	-		
Tapping Fees per Hotel or Inn Room		\$250.00	\$250.00	\$0.00	
Tapping Fees 4" – 8" Sewer Pipe		\$500.00	\$500.00	\$0.00	
Base Quarterly Charge		\$305.45	\$316.91	\$11.46	3.752
Volumetric Charge (per 1,000 Gallons)	0 to 22,500 Gallons per Quarter	\$2.38	\$2.41	\$0.03	1.261
	Over 22,500 Gallons	\$2.38	\$2.41	\$0.03	1.261
<u>IRRIGATION</u>		-	-		
Tapping Fees & ¾" Meter Box		\$500.00	\$500.00	\$0.00	
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	Over 60,000 Gallons	\$6.61	\$6.69	\$0.08	1.210

<u>AVAILABILITY RATES</u>		<u>Company's Original Proposed Rates</u>	<u>Rates Proposed in Company Witness Testimony</u>	<u>Revision Amount %</u>	
A.	Water Quarterly Charge	\$107.49	\$112.23	\$4.74	4.410
B.	Sewer Quarterly Charge	\$140.73	\$146.01	\$5.28	3.752

A copy of the Company's application can be found on the Commission's website at www.psc.sc.gov under Docket No. 2014-346-WS. Additionally, a copy of the application is available from the office of Thomas P. Gressette, Jr. Esquire and G. Trenholm Walker, Esquire, Walker Gressette Freeman & Linton, LLC, Post Office Box 22167, Charleston, South Carolina 29413.

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**8/6/20 DIUC PROPOSED CHANGES HIGHLIGHTED
IN GREY.**